



State Capitol | Lansing, Michigan 48913

PH (517) 373.1725 | FAX (517) 373.0741

www.senate.michigan.gov/gop/senator/mcmanus/

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Contact: Emily Carney
(517) 373-1725

Legislature approves citizens' initiative, repealing 'job-killing' Single Business Tax

'Vote for economic recovery' accelerates the elimination of the SBT by two years

LANSING – In an historic vote, both houses of the Michigan Legislature today repealed the state's Single Business Tax, a burdensome tax that has been widely despised for much of the last 30 years both by Michigan business owners and legislators but until now has been immune to repeal due to the governor's veto pen. The repeal takes effect Dec. 31, 2007.

A citizens' petition initiative calling for the repeal of the SBT was delivered to the Legislature on July 28. The petition drive began after the governor's March veto of a bill eliminating the SBT, her latest in a series of vetoes blocking fundamental and necessary change to the SBT. Since today's repeal was an approval of a citizens' initiative, the governor cannot veto it.

"Cadillac is the largest manufacturing area north of Grand Rapids and manufacturing is the driving force of the local economy," said Sen. Michelle McManus, R-Lake Leelanau. "I have personally talked to manufacturers across Cadillac about the challenges they face and I can tell you the first thing they mentioned was Michigan's unique and burdensome tax structure."

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Editor's note: Audio remarks from Sen. McManus will be available on the Senate Majority Audiowire after 3:30 p.m. at:

<http://www.senate.michigan.gov/gop/audiowire/mcmanus/index.htm>